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REGISTRATION GUIDE

How to Register a Ship or Boat in Canada

First Edition, February 2000

Canada

Registration Guide

How to register a ship or boat in Canada

First Edition,
February 2000

Office of Ship Registration,
Marine Safety, Transport Canada

This guide is also available on the
Transport Canada Web Site
(www.tc.gc.ca/marinesafety/ then
follow the links).

Également disponible en français.

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Foreword

A legal word on language and meaning

This guide provides information plainly and simply. Legalistic or bureaucratic words have been avoided wherever possible. As a result, some of the finer points of legal issues or government policy may have been lost. Thus this information is for your guidance only. For a more in-depth understanding of the laws and policies discussed in this guide, please use original source materials.

An Act in transition


This guide is based on laws that became effective in February 2000. Some of the requirements outlined in this guide result from changes to *Part 1* of the *Canada Shipping Act*, originally called *Bill C-15*, passed by Parliament in 1998. Beyond these changes, in July 1999, Transport Canada released for discussion an entirely new proposal called *the Canada Shipping Act 2000*. This proposed act would require *all* vessels other than pleasure craft to be registered.

For more help

Help locating materials or completing any of the required forms may be available through any of the Ports of Registry offices listed on page 27. Or phone the Ship Registration Hotline: 1-877-242-8770.

Comments or suggestions concerning this guide may be forwarded to:

Chief Registrar,
Office of Ship Registration
Marine Safety
Transport Canada
Ottawa, ON K1A 0N8



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1. An Introduction to Registration and Licensing

So, you're buying a boat or a ship. Now you must learn what documents you will need to have. Maybe you've heard that you need to *register* your ship, while others have told you that you have to get a *licence* for your boat. First, the essential difference between a boat and a ship is size, but it's easiest to call everything a vessel. That's what this guide will do. And here's the difference between registration and licensing:

Registration

You must register any pleasure or commercial vessel over 15 gross tons. In most cases you will have to be Canadian. Registration is a system that provides legal title, and certain benefits such as a unique name and official number. Registration also allows you to use the vessel as security for a marine mortgage.

Possible changes to registration requirements

This guide is based on laws that took effect in February 2000. Beyond these changes, Transport Canada released in July 1999 an entirely new proposed bill called the Canada Shipping Act 2000. This proposed act would require all Canadian vessels owned by a qualified person (see page 5), other than pleasure craft to be registered. If you are using this guide after the summer of 2000, please consult a registrar if you might be affected by these proposed changes.

To register a vessel, you are required to furnish certain documents and in most cases have the vessel measured. Once all requirements have been met, the vessel will be registered and a *Certificate of Registry* will be issued. This certificate must be on board at all times during the vessel's operation for identification purposes. If you own a vessel less than or equal to 15 gross tons, you can choose to register your vessel to obtain the benefits of registration, but it is not mandatory. Once registered, a vessel cannot be licensed.

Licensing

Vessels less than or equal to 15 gross tons are classified as 'small vessels' under the *Canada Shipping Act*. Should you choose not to register your vessel, you must get a *Small Vessel Licence* for any small vessel equipped permanently or temporarily with a motor greater than 7.5 kW (9.9 horsepower). This requirement includes personal water craft. You may also license any small vessel with a less powerful motor. There are no citizenship or residency requirements, but the boat must be principally operated and maintained in Canada.

Commercial craft

Licences for small commercial craft may be obtained by phoning the Ship Registration Hotline: 1-877-242-8770.

Pleasure craft

Licences for small pleasure craft may be obtained by phoning the Department of Fisheries and Oceans – Canadian Coast Guard Infoline for small boating at 1-800-267-6687.

Forms

This guide, and all of the forms mentioned in it, are available from any Port of Registry office or from the Transport Canada Web Site (www.tc.gc.ca/marinesafety/ then follow the link).

2. Vessels under Construction

Recording a vessel

Vessels under construction may be recorded. This is a process that falls short of full registration, but is useful if you want to register a builder's mortgage. In fact, if you are a builder or the intended owner, the only way that you can obtain and register a builder's mortgage is to have the vessel recorded. If you are using your money to have a vessel built, having it recorded provides you with some security.

If you wish to record a vessel under construction you should complete a form called *Description of Ship Proposed to be Built* and forward it to the Port of Registry you chose from the list in the Appendix. You will be given a number that must be displayed on the hull while the vessel is under construction.

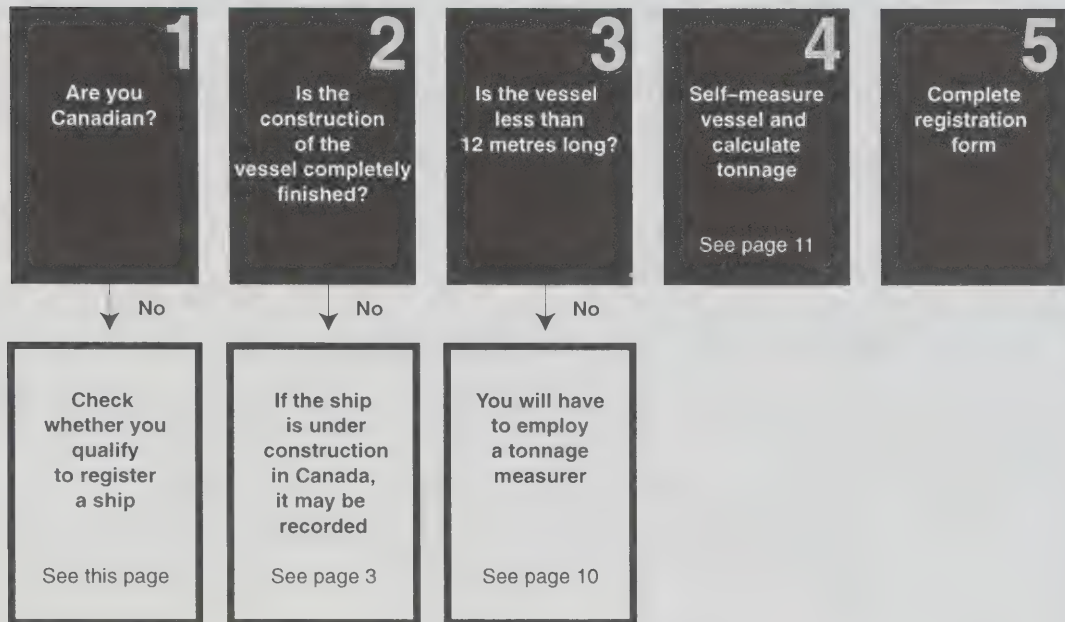
A builder's mortgage is then recorded in the same way as a vessel's mortgage. Please see page 19 for information on this process.

Reserving a name

If you want to have a name approved while your vessel is under construction, you will have to apply and pay another fee. A few restrictions apply to naming a vessel. You cannot have a name that is already used by another Canadian vessel, but adding a Roman numeral after the name is a way to create a different name. Please see page 8 to learn how to have a name approved.

3. Registering a Vessel

Express lane for small vessels



Who may register a vessel on the Canadian Register

Every owner must be a "qualified person". You are a qualified person if you are:

- a Canadian citizen or a permanent resident within the meaning of subsection 2(1) of the Immigration Act, or
- a corporation incorporated under federal or provincial law.

Required registration

You must register any vessel in Canada that:

- *exceeds* 15 gross tons (see Tonnage Table on page 12);
- is owned only by Canadian citizens, residents, or companies incorporated in Canada (called qualified persons); and
- is not registered in a foreign country.

Optional registration

Unless registered in a foreign country, you *may* register any of the following:

- vessels equal to or less than 15 gross tons which are owned only by qualified persons;
- vessels owned by a foreign corporation where there is a subsidiary incorporated in Canada or the vessel is managed by a Canadian vessel management company; or
- a vessel that a qualified person is using under a financing agreement (lease to own) provided that the person will own that vessel at the end of the agreement.

Advantages of registration

Registering a vessel offers you many advantages, such as:

- Registration gives you title to a vessel that proves that you are the legal owner.
- You can use a registered vessel as security for a loan.
- A registered mortgage becomes a marine mortgage.
- Registration can increase resale value of your vessel, by proving clear title.
- Registration ensures a unique name for your vessel.
- Registration limits your liability.
- Registration allows you to fly the Canadian flag.

Documentation for first-time registration

To complete the registration of a vessel or shares in a vessel, you will have to establish legal title. To apply to register a vessel, you must send the following documents to the registrar at the Port of Registry:

- *Application for Registry*;
- *Declaration of Ownership* — Each owner must complete a separate form;
- *Appointment of an Authorized Representative* — This must be completed by the owners. This is required if there is more than one owner or if a foreign corporation owns the vessel. It does not apply to any pleasure vessels;
- *Notice of Name for a Ship*; and,
- the appropriate fee — refer to the separate table of fees.

For a vessel built in Canada, you will also need:

- *Builder's Certificate* — This is issued by the builder and made out to you or the corporation registering the vessel; and,
- if you are not named on the certificate, you will need all *Bills of Sale* showing the sequence of title from the builder to you, the applicant.

For a foreign-built vessel, you will also need:

- either the original notarized *Bill of Sale* (or a certified or notarized true copy having an original stamp) selling the vessel from the last foreign owner to you, duly authenticated by a Canadian or an acceptable consular office; or, if you are not the first Canadian owner, all *Bills of Sale* showing the sequence of title up to you. If the *Bill of Sale* has the seal of either a Canadian or foreign notary, consular authentication is not required; and,
- proof of closing of foreign registry, free and clear of all encumbrances.

Authorized representative

Every Canadian vessel, other than a pleasure vessel, must have a person who is responsible for acting in all matters relating to the vessel. This person is called the *authorized representative*.

In the case of a Canadian vessel that is owned by more than one person, the owners must appoint one of themselves as the authorized representative. Because corporations are legally persons, a corporation may be the authorized representative.

The authorized representative of a vessel owned by a foreign-owned subsidiary corporation must be:

- a subsidiary of the corporation that is incorporated under the laws of Canada or a province;
- an employee or director of any branch office of the corporation that is carrying on business in Canada; or
- a ship management company incorporated in a province or according to federal law.

The authorized representative is responsible for any matter relating to the vessel. This means that if you are that person, Transport Canada could hold you legally responsible for any problems with the vessel.

Identifying the owner

Individual owner

An individual owner has the power to act upon his or her share only.

Joint owners

For the purposes of registration, the property of a vessel is divided into 64 shares. Up to five people may register as joint owners of each of these 64 shares. Joint owners are considered as one unit, although all of the names of the joint owners are listed in the *Canadian Register*.

You can sell a share only when all joint owners act together to sell it.

Vessels' names

Reserving a name

You can reserve a name for your vessel, even before it is registered, for instance when a ship is planned or under construction. There is a fee for this service. If you do not register the vessel within a year, the name will be cancelled and someone else may claim it. You will also forfeit the registration fee, and when you apply again, you will have to pay that fee a second time. Note, however, that instead of losing your vessel's name, you can pay a special fee to have that name extended for another year. You must ask for the extension before the year is over.

Naming a vessel

When you apply to register your vessel for the first time, you will be asked to choose its name. You should always suggest at least three choices in case the one you want is not available. Similar names ending with different roman numerals are different names. So if you really want your vessel named *Molly B*, you can offer *Molly B II* and *Molly B IV*, for instance, as your second and third choices. All characters in the name must be letters from the Latin alphabet (A, B, C... X, Y, Z or a, b, c ... x, y, z). No other symbols are permitted.

The Chief Registrar will not allow a name that is:

- the same as the name of an existing Canadian vessel;
- likely to be confused with the name of a Canadian vessel or with a distress signal;
- likely to offend members of the public;
- prohibited under any other act of Parliament; or
- likely to hurt the international reputation of Canada.

To register or reserve a name you should apply using the form *Notice of Ship's Name* and send the appropriate fee to the registrar. If another vessel has already been registered under the name of your first choice, your application will be returned unless you have given other choices and one of those names is available. If the name is available, you will have one year from the date of approval in which to complete the registration of the vessel under that name.

The same form and process is required for changing the name of a vessel (see page 16).

Port of Registry

When completing your application form you will be asked to choose a *Port of Registry* for your vessel. A Port of Registry is like a home port for your vessel. Often it will be the actual port of your vessel or the Port of Registry

closest to home port. But you may also choose any other designated port in Canada if you wish. The appendix lists all designated ports of registry. You must choose one from that list.

If you wish to change your vessel's Port of Registry, you should ask for the form called *Declaration of Transfer of Registry* from a registrar.

Vessel's Certificate of Survey

In most cases, before a vessel can be registered, you are required to have the vessel measured by a *tonnage measurer*.

If your vessel has an overall length of 12 metres or less, you may be able to undertake a simple measurement by yourself. See the box *Simplified self-measurement of tonnage based on length*, to learn whether you qualify for self-measurement.

If the vessel already has a valid International Tonnage Certificate (ITC), you are not required to remeasure the vessel.

You are responsible for hiring an approved tonnage measurer, for paying the measurer's fee and for related expenses, such as travel. The Registry office you have chosen for your vessel can give you a list of certified tonnage measurers. The measurer will calculate the vessel's tonnage, and provide this information on a *Certificate of Survey*.

Simplified self-measurement of tonnage based on length

If your vessel is 12 metres or less in length overall, you may be able to use a table to find a simple measurement of tonnage. In order to do this, *all* of the following conditions must be met:

- The length overall (called LOA) of the vessel must be 12 metres or less;
- The maximum breadth of the vessel is not greater than 4.8 metres;
- The vessel must be of a monohull form. This means that catamarans or trimarans cannot use this method;
- There is not more than a single deckhouse/superstructure;
- The deckhouse/superstructure's length does not exceed 70% of the vessel's length overall (LOA); and,
- The vessel is neither a houseboat nor does it have a barge hull form. These two categories cannot use this simple method.

If after reviewing the list above, you qualify for this simplified method, then you may measure the length and calculate the tonnage yourself in two steps. You do not need a tonnage measurer.

Step one: Measure length

Length Overall (LOA) is the length of a ship in metres from the fore part of the uppermost end of the stem to the aft side of the aftermost permanent structure of the ship, not including guards or rubbing strakes, spars, platforms, outboard motors, Z-drives, jet drives, or transom-hung rudders, but is to include any additional enclosed hull volume that is to be added to the hull in the form of detachable or fixed volumes such as blisters, sponsons, bolted stern appendages, etc.

Breadth is the maximum breadth of the ship measured in metres at any point on the length of the ship.

Step two: Use the look-up table

Based on the ranges of length overall (LOA) in Column 1, read across to Column 2 and 3 to find the given gross and net tonnage.

Length ¹ Overall	Gross Tonnage ²	Net Tonnage ³
less than 8 metres	4.6	2.3
from 8 m to under 8.5 m	5.0	2.53
from 8.5 m to under 9 m	6.0	3.01
from 9 m to under 9.5 m	7.0	3.56
from 9.5 m to under 10 m	8.0	4.17
from 10 m to under 10.5 m	9.5	4.85
from 10.5 m to under 11 m	11.0	5.59
from 11 m to under 11.5 m	12.5	6.41
from 11.5 m to under 12 m	14.5	7.30
Equal to 12 metres	15.0	7.78

Certificate of Registry

The *Certificate of Registry* will be issued to you after the registrar has reviewed and is satisfied that all of the documents are acceptable. This certificate must be on board at all times during the vessel's operation.

The certificate *only becomes valid after* the vessel has been marked with its name, official number, Port of Registry and registered tonnage, in the manner specified by the Chief Registrar.

The certificate establishes the vessel's nationality and tonnage, but it does not prove ownership or account for any mortgages. If at any time you want to prove ownership, you should request a certified transcript of the register. A fee applies for this service.

A *Certificate of Registry* has an expiry date. If any changes are made to the *Certificate or Registry*, a new certificate will be issued.

Renewal

The *Certificate of Registry* must be renewed periodically. The expiry date will be shown on the certificate. About a month before a certificate is due to expire, you will receive a notice of renewal. You will only receive one notice. Do not wait for other notices to follow before renewing your vessel's registry. If there are no changes, you only need to sign and return a portion of the notice. If you do not receive the renewal notice, be sure to contact the office of the Chief Registrar at least two weeks before your certificate is due to expire.

The responsibility for renewal is up to you, the vessel owner or authorized representative, whether or not a reminder has been sent to you. If you do not renew your vessel's registry by the required date, your vessel and its name may be suspended and eventually removed from the registry.

Registration of bare-boat charter ships or air cushion vehicles

A *bare-boat charter* vessel is an uncrewed vessel chartered from one national jurisdiction to another, also called a *demise charter vessel*. An ACV is an air cushion vehicle, better known as a hovercraft.

Registration of either a bare-boat charter vessel or a commercial ACV is a comparatively rare and complicated matter. Anyone wishing to proceed with either chartering a bare boat *in* or *out* of Canada or registering a commercial ACV should contact the office of the Chief Registrar in Ottawa.

Ship Registry
Schedule of Fees Effective December 1st 1997

<u>Service</u>	<u>BOLD TEXT INDICATES A NEW FEE</u>	<u>Fee (\$)</u>
1.	a. Registration of a ship (includes Re-Registry)	200.00
	b. Additional fee for the registration of a foreign-built ship	
	- for a <u>commercial</u> ship over 15 tons gross	300.00
	- for a <u>commercial</u> ship of 15 tons gross or <u>less</u> or for a pleasure yacht	100.00
	c. Additional fee if the ship is not registered within 12 months after the ship's name approval date (for each additional 12 month period or less until the ship is registered or the application is cancelled).	125.00
2.	a. Transfer of ownership of a ship	125.00
	b. Transmission of a ship	125.00
	c. Transfer of registry of a ship to a new port of registry	125.00
3.	Change of Name of a Canadian Ship	250.00
4.	Issuance of a Provisional Certificate	100.00
5.	Replacement of a Certificate of Registry	50.00
6.	Registration of an alteration to a ship	100.00
7.	Issuance of a Deletion Certificate	50.00
8.	Recording of a vessel under construction	25.00
9.	a. Recording of a builder's mortgage including its subsequent discharge	150.00
	b. Registration of a mortgage including its subsequent discharge	150.00
10.	Transfer of either a recorded builder's mortgage or a registered mortgage	150.00
11.	Issuance of a Transport Order	40.00
12.	Witnessing of a declaration before a Registrar who is a "Commissioner for Oaths"	10.00
13.	Services provided by a Registrar out of hours (contact a Registrar for details)	

NOTES:

- All fees must accompany documentation filed.
- Fees are non-refundable

CHEQUE OR MONEY ORDER PAYABLE TO *THE RECEIVER GENERAL FOR CANADA*.

**IMMATRICULATION DES NAVIRES
BARÈME DE DROITS
EFFECTIF LE 1^{ER} DÉCEMBRE 1997**

<u>Service</u>	<u>LE TEXTE FONCÉ INDIQUE UN NOUVEAU DROIT</u>	<u>Droit (\$)</u>
1.	a. Immatriculation initiale d'un navire (comprend ré-immatriculation)	200.00
	b. Droit additionnel pour l'immatriculation d'un navire construit à l'étranger	
	- un navire <u>commercial</u> de plus de 15 tonneaux brutes	300.00
	- un navire <u>commercial</u> de 15 tonneaux brutes ou moins ou d'un yacht de plaisance	100.00
	c. Droit additionnel si le navire n'est pas immatriculé dans les douze (12) mois qui suivent la date approuvée (pour chaque période supplémentaire de douze (12) mois ou moins jusqu'à ce que le navire soit immatriculé ou que la demande soit annulée)	125.00
2.	a. Transfert d'un changement de propriétaire d'un navire	125.00
	b. Transmission d'un navire	125.00
	c. Transfert de l'immatriculation du navire à un nouveau port d'immatriculation	125.00
3.	Changement de nom d'un navire Canadien	250.00
4.	Délivrance d'un certificat provisoire	100.00
5.	Remplacement du certificat d'immatriculation	50.00
6.	Immatriculation d'une modification	100.00
7.	Délivrance d'un certificat d'annulation	50.00
8.	Inscription d'un bâtiment en cours de construction	25.00
9.	a. L'inscription d'une hypothèque de constructeur ainsi que la mainlevée subséquente	150.00
	b. Enregistrement d'une hypothèque ainsi qu la mainlevée subséquente	150.00
10.	Transfert de l'hypothèque de constructeur ou d'une hypothèque	150.00
11.	Émission d'un Ordre de Transport	40.00
12.	Attestation d'une déclaration devant un registraire qui est "Commissaire aux serments"	10.00
13.	Services fournis par un registraire en dehors des heures normales (communiquez avec un registraire pour renseignements)	

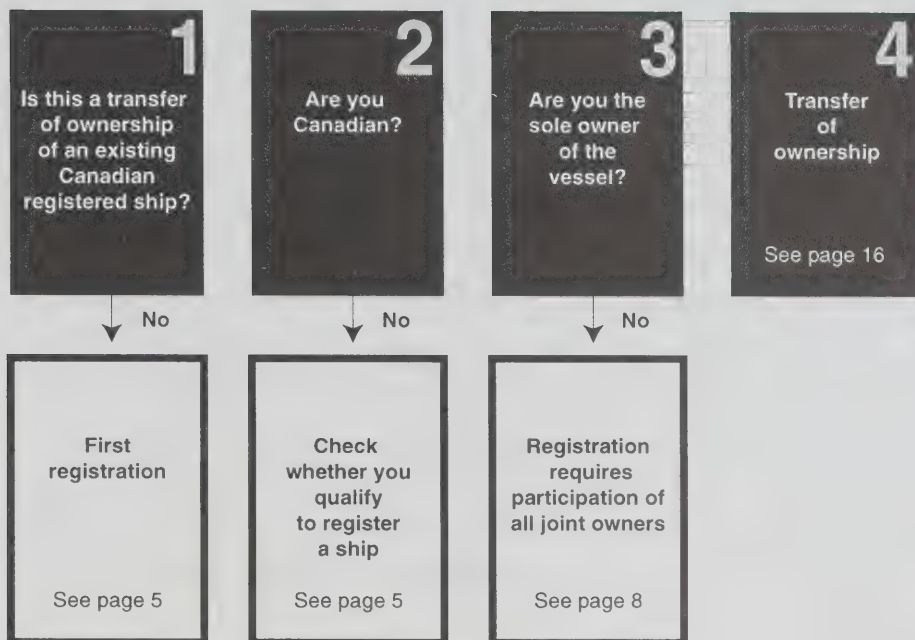
REMARQUES:

- Les droits doivent être payés simultanément avec la présentation des documents
- Les droits ne sont pas remboursables

PAYABLE PAR MANDAT POSTE OU CHÈQUE VISÉ À L'ORDRE DU RECEVEUR GÉNÉRAL DU CANADA.

4. Changes to be Reported to the Registrar

Express Lane



General information

Name and address: As a registered owner or mortgagee, you *must* inform the registrar of your Port of Registry of any change in address or name, through marriage for example. There is *no* fee to have the registrar change your name or address.

Changes to measurements: If you make changes to a vessel, you should notify the registrar who will advise you whether the changes need to be recorded. If those changes mean that the measurements shown on the *Certificate of Registry* are incorrect, you may have to contact an authorized tonnage measurer and arrange for a re-measurement. A fee may apply for changing the details of the *Certificate of Registry*.

Change in description: If the description of your vessel changes, for instance, from a fishing to a passenger vessel, you must notify the registrar for your Port of Registry (Please see the Appendix).

Change of vessel's name: The process for changing a registered vessel's name is the same as naming a vessel at the time of first registration. You should always suggest at least three choices in case the one you want is not available. Remember that identical names ending in different roman numerals are different names.

If another vessel has already been registered under the name of your first choice, your application will be returned unless you have given other choices and one of those names is available. Please see page 8 for more information on registering a vessel's name. This fee must be paid at the time of application for a name change. Please refer to the separate table of fees that may have been inserted into this guide.

Once a change is registered, a new *Certificate of Registry* will be issued which expires on the day the original certificate would have expired.

Changes in ownership

Buying a registered vessel or shares in a vessel

In order to complete the purchase of a registered vessel or shares in a registered vessel, you will have to transfer legal title. When you finalize the purchase, be sure the *Bill of Sale* is completed by the person selling the vessel to you. In order to register the transfer of ownership, you must send the following documents to the registrar at the Port of Registry:

- the original *Bill of Sale* — This must be completed by the registered owner(s) who are selling the vessel;
- a *Declaration of Ownership* — Each purchaser must complete a separate form;
- *Appointment of an Authorized Representative* (if required) — This must be completed by the owner(s);
- the appropriate fee — refer to the separate table of fees.

If some original document, such as a *Bill of Sale*, or a *Declaration of Ownership* by an interim owner cannot be produced, you must complete a statutory declaration. There is a fee for processing.

What is a *Bill of Sale*? Bills of Sale must contain the following information:

- full purchase price;
- name, address, and signature of the seller;
- name, address, title and signature of witness;
- your name and address, as purchaser;
- vessel's measurements and other particulars noted on the certificate;
- vessel's Canadian registered name and official number;
- where applicable, the foreign registered vessel's name and number;
- number of shares; and
- outstanding mortgages.

Bills of Sale detailing the required information are available from any registry office.

Death of a sole owner or mortgagee

The legal personal representative of the deceased must show the following documents:

- a *Declaration of Transmission*;
- the instrument of representation, such as a probate of the will, or letters of administration; and one of the following:
 - death certificate;
 - burial certificate; or
 - a presumption of death issued by a court.
- the appropriate fee — refer to the separate table of fees.

The personal representative must apply promptly for the transmission to be registered. After verifying the documents, and updating the Register, the registrar will issue a new *Certificate of Registry*, if necessary.

Death of a joint owner or joint mortgagee

The shares of the deceased are passed to the surviving joint owners or joint mortgagees. Such a change must be reported to the registrar with one of the following documents:

- death certificate;
- burial certificate; or
- a presumption of death issued by a court.

Transfer to a person not qualified to own a Canadian vessel

The *Canada Shipping Act* requires that registry be closed if a vessel or any share in a vessel is transferred to an unqualified person or if an unqualified person obtains any joint interest in ownership. The new owner must give a copy of the *Bill of Sale* to the registrar along with notice that includes a statement of the foreigner's nationality. Notice given on behalf of a corporation should be executed by a company resolution. The *Certificate of Registry* must also be delivered to the registrar.

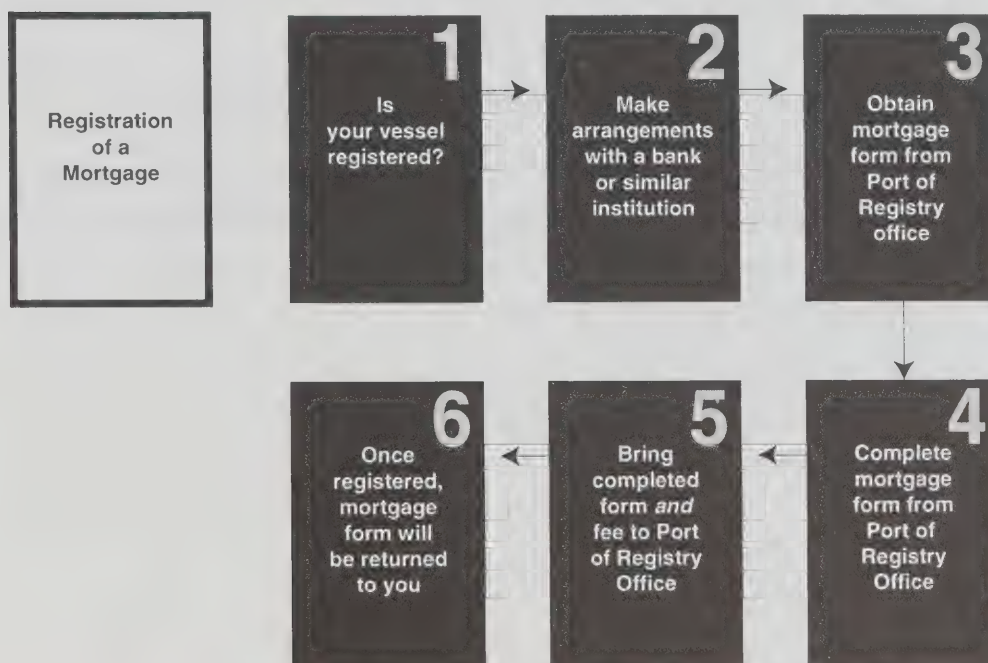
Ship no longer in use

If you own a vessel which is no longer in use, has sunk, has been wrecked, has burned, or has been sold to a foreign owner, then you are required by law to notify the Port of Registry and to deliver the vessel's *Certificate of Registry*.

5. Mortgages

A mortgage is a legal document that creates a security for a loan or other financial consideration using the registered vessel or a share of it as security. The person using the vessel as security and receiving the loan is called the *mortgagor*. The person taking the vessel as security and usually giving the loan is called the *mortgagee*. Note that a vessel must be registered *before* a mortgage can be registered.

Mortgage process



A mortgage may be on a vessel or on shares

A person, a group of several persons, or a corporation may complete a *Mortgage Form* for any number of shares in a vessel, as long as they are registered owners. Where there are different owners of different vessel's shares, a separate mortgage would be required for each share being mortgaged.

Mortgage Form

In order for a mortgage on a vessel or share to be registered, you must complete the *Mortgage Form* and send it to a registrar, complete with the required fee. This alone becomes the registered mortgage document. Note that this form does not allow the inclusion of details that go beyond describing the nature of the mortgage transaction. Thus other issues relating to conditions which attach to a mortgage are covered in a separate agreement or deed between the parties concerned. You may refer to such a separate deed in the mortgage, but a registrar will not accept it for registration. For example you can add a phrase such as either of these to the *Mortgage Form*:

*In accordance with an agreement datedbetween the parties
hereto*

or

as is more fully detailed in the Deed of Covenants dated.....

Once the *Mortgage Form* is completed it must be sent to the registrar at the Port of Registry along with the required fee. The *Mortgage Form* will then be registered and returned to the person who presented it, with the following endorsement added by the Registrar:

*Mortgage A, (or B, or etc.) entered this.....day of.....20...
at.....a.m..(or p.m., to the nearest minute).*

.....,
Registrar of Ships
Port of.....

Inspection of registered mortgages

If you are proposing to advance money or to purchase a vessel, you have the right to inspect the Register or to obtain a certified copy of the transcript by paying a fee. Thus you would be informed fully in advance as to how far the ownership of a vessel would be burdened by mortgages.

Several mortgages for any one vessel may appear on the Register at the same time. Mortgages rank in priority according to the date and time that they are

accepted by the Registrar as complete and not according to the dates of the mortgage deeds themselves.

No restrictions on mortgagees

There are no restrictions as to the kinds of persons who may be entered in the Register as mortgagees. Thus a person who is not qualified to own a Canadian registered vessel could be a mortgagee.

While the number of persons who may be registered as joint owners of a share(s) is limited to five, there is no legal limitation to the number of persons who may be registered as joint mortgagees.

Transfer of a mortgage

A mortgagee may transfer the mortgage by completing the transfer section on the *Mortgage Form* and must be sent to the registrar at the port of registry along with the required fee. For a transfer by joint mortgagees, all parties must sign the transfer section. A transfer by a corporation must be executed under its corporate seal or by an officer authorized to do so by a company resolution or by power of attorney. The *Mortgage Form* will then be registered and returned to the person who presented it, with the following endorsement added by the Registrar:

*Transfer of Mortgage A, (or B, or etc.) entered this.....day
of.....20...
at.....a.m..(or p.m., to the nearest minute).*

*.....,
Registrar of Ships
Port of.....*

If you can't find the original Mortgage Form, you will have to complete a *Statutory Declaration*. Talk to the registrar's office about this. There is a fee for processing.

Powers of mortgagees

If you are a registered first mortgagee, then the Canada Shipping Act gives you absolute power, subject to the *Bankruptcy and Insolvency Act*, and to the extent set out in the mortgage agreement, to sell the vessel or shares which form the security. However, if there is more than one mortgage on the same vessel or share, no second or additional mortgagee can sell without the agreement of every prior mortgagee, except by an order by a court. Under *power of sale*, a sale of the vessel by a first mortgagee means that there is no longer a mortgage on the vessel.

Discharging a mortgage

Until the registrar receives the original mortgage deed together with a letter of discharge signed by the mortgagee, the mortgage will remain registered. It is not necessary that the amount for which the receipt is given should be the full amount of the mortgage, only that the receipt contains a statement that it is given in discharge of the mortgage. There is no additional fee for you to discharge a mortgage.

If the mortgagee is a corporation, a discharge must be given either under its corporate seal, under the signature of an officer authorized to do so by a company resolution, or by power of attorney.

Once the registry of discharge of a mortgage is completed, the registrar will register the discharge with an endorsement and return the documents to the person who presented it.

If the original mortgage deed has been lost, you must complete a *statutory declaration* confirming that the obligation was discharged. There is a fee for processing the declaration.

6. More Information

Ten most-asked questions

1. What is the difference between registration and licensing?

Registration is a system which provides legal title, and it affords the vessel certain benefits such as a unique name and official number, and being able to use the vessel as security for a marine mortgage. You must register any pleasure or commercial vessel over 15 gross tons. In most cases you will have to be Canadian.

Unless you register your vessel, you must get a Small Vessel Licence for any vessel under 15 gross tons and equipped permanently or temporarily with a motor greater than 7.5 kW (9.9 horsepower). This includes personal water craft. You may also license any small vessel with a less powerful motor. See page 2 for more information.

2. I am buying a used boat. How can I tell if there is a mortgage on it, and whether it is registered or licensed?

Only registered ships can have mortgages recorded against them. If the vessel has a name and a port written on the stern, then it is a registered vessel. If there is a letter-number combination on the boats' bow, (e.g. 32E0000, or C1234BC) then it is a licensed vessel.

3. Where can I get the forms I need?

All required forms are available from the Registrar of Ships, at an administration port, from Transport Canada, Marine Safety district offices, or from the Chief Registrar's Office in Ottawa. Forms are also available from the Transport Canada Web Site (www.tc.gc.ca/marinesafety/ then follow the links).

4. What is the Register?

The Canadian Register of Ships contains the names, ownership details and records of all registered vessels for each Port of Registry.

5. What is a mortgage?

A mortgage is a legal document that creates a security for a loan or other financial consideration using the registered vessel or a share of it as security. The person using the vessel as security and receiving the loan is called the *mortgagor*. The person taking the vessel as security and usually giving the loan is called the *mortgagee*. Note that a vessel must be registered before a mortgage can be registered. See page 19 for more information.

6. What is a blue book?

The *Certificate of Registry* issued for any vessel before March 2000 was in the form of a booklet with a blue cover, hence *blue book*. Since then, the certificate has been a single piece of paper in a blue pouch.

7. What is "gross and net tonnage (registered)"?

Tonnage is neither the weight of the vessel, nor a measurement of the amount of water it displaces, but rather a measurement of the vessel's volume. There are two ways to measure volume. Gross tonnage refers to the overall volume of a vessel, while net tonnage (registered) measures the useful capacity of the vessel. There is a simple method to calculate the tonnage of ships under 12 metres in length, based on the measured length. This is reviewed on page 11.

8. Where can I find a tonnage measurer?

Contact your chosen Port of Registry office for a list of measurers appointed by Transport Canada. Please note that there are no geographical restrictions. If your vessel is less than 12 metres, you may not need to employ a measurer.

See page 11. If you require a vessel to be measured outside of Canada, please phone either the ship registration hotline 1-877-242-8770 (press 6) or 1-613 998-6620.

9. What can I do if I lost or misplaced my *Certificate of Registry*?

Submit a letter giving details of the loss to the office responsible for your Port of Registry, together with the appropriate fee.

10. Why are there fees for everything to do with registration?

Government policy says that users of different services should pay for the costs of those services. There is no profit from the fees: they are just enough to cover the costs of the registration system.

A few pointers

Register in good time

Always apply for registration well before the date you want to sail. First registry can be a lengthy process. Try to ensure that you have completed the necessary documentation properly and paid the required fee.

Send the required fees

All applications, including a request to change the name of a vessel, must be accompanied by a cheque or money order to cover the required fees, made payable to the Receiver General of Canada. Fees are also payable by VISA or MasterCard.

All fees are non-refundable.

Your names

You must use full names and addresses to complete all registry forms.

Individuals should include all legal given names (initials or nicknames are not acceptable). For corporate bodies, the company name printed on an application form must agree with the company name on the certificate of incorporation.

Applications

Applications should normally be made by mail or in person at one of the registry offices shown in the Appendix.

You must send all of your completed forms to the registrar at your chosen Port of Registry administration office.

Appendix: Ports of Registry

Newfoundland

Port of Registry:

St. John's

Registry office:

Registrar of Ships,
Transport Canada,
Marine Safety
10 Barter's Hill
Cabot Place, Tower 2,
9th Floor
St. John's

tel: (709) 772-5291

fax: (709) 772-0210

Mailing Address:

P.O. Box 1300
St. John's, NF
A1C 6H8

Prince Edward Island

Port of Registry:

Charlottetown

Registry office:

Registrar of Ships
Transport Canada
2nd Floor, Dominion Bldg.
97 Queen Street
Charlottetown

tel: (902) 566-7952

fax: (902) 566-7991

Mailing Address:

P.O. Box 1270
Charlottetown, PE
C1A 7M8

Nova Scotia

Ports of Registry:

Halifax
Liverpool
Lunenburg
Port Hawkesbury
Shelburne
Sydney
Yarmouth

Registry office:

Registrar of Ships
Transport Canada
Marine Safety
Queen Square
45 Alderney Drive 14th
Floor
Dartmouth

tel: (902) 426-4233

fax: (902) 426-6657

Mailing Address:

P.O. Box 1013
Dartmouth, NS B2Y 4K2

New Brunswick**Ports of Registry:**

Bathurst
Caraquet
Grand Manan
Moncton
St Andrews
Saint John

Registry office:

Registrar of Ships
Transport Canada
Queen Square
45 Alderney Drive 14th
Floor
Dartmouth

tel: (902) 426-4233

fax: (902) 426-6657

Mailing Address:

P.O. Box 1013

Dartmouth, NS B2Y 4K2

Quebec**Ports of Registry:**

Cap-aux-Meules
Chicoutimi
Gaspé
La Baie (Port Alfred)
Québec
Trois-Rivières

Registry office:

Registrar of Ships
Transport Canada
Marine Safety
Gare maritime Champlain
4^e étage
901, Cap-Diamant
Québec, QC
G1K 4K1

tel: (418) 648-4508

fax: (418) 648-5106

Ports of Registry:

Montreal
Sorel

Registry office:

Registrar of Ships
Transport Canada
800, Boul René Lévesque
Suite 620, 6ième étage
C.P. 334
Montréal, QC
H4Z 1X9

tel: (514)-496-8463

fax: (514) 283-6595

Ontario**Ports of Registry:**

Belleville
Brockville
Chatham
Collingwood
Cornwall
Goderich
Hamilton
Kenora
Kingston
Midland
Nanticoke (Port Dover)
Ottawa
Owen sound
Peterborough
Port Colborne
Prescott
St. Catharines
Sarnia
Sault Ste. Marie
Thunder Bay
Toronto
Wallaceburg
Windsor

Registry office:

Registry of Ships
Transport Canada
4900 Yonge St. Suite 300
North York, Ontario
M2N 6A5

tel: (416) 973-8142
fax: (416) 973-8133

Walk-in services available
on the fourth floor

Manitoba**Port of Registry:**

Winnipeg

Registry office:

Registry of Ships
Transport Canada
4900 Yonge St. Suite 300
North York, Ontario
M2N 6A5

tel: (416) 973-8142
fax: (416) 973-8133

Saskatchewan**Port of Registry:**

Prince Albert

Registry office:

Registrar of Ships
Transport Canada
Marine Safety
620-800 Burrard St.
Vancouver, BC V6Z 2J8

tel: (604) 666-3293

fax: (604) 666-9133

Alberta**Port of Registry:**

Edmonton

Registry office:

Registrar of Ships
Transport Canada
Marine Safety
620-800 Burrard St.
Vancouver, BC V6Z 2J8

tel: (604) 666-3293

fax: (604) 666-9133

British Columbia**Ports of Registry:**

Nanaimo
Port Alberni
Victoria

Registry office:

Registrar of Ships
Transport Canada
501-1230 Government Street
Victoria, BC V8W 1Y3

tel: (250) 363-0297

fax: (250) 363-0330

Port of Registry:

Prince Rupert

Registry office:

Registrar of Ships
Transport Canada
P.O. Bag 3670
Seal Cove
Coast Guard Base, 2nd Floor
Prince Rupert, BC V8J 3R1

tel: (250) 627-0340

fax: (250) 624-9305

Ports of Registry:

New Westminster
Vancouver

Registry office:

Registrar of Ships
Transport Canada
Marine Safety
620-800 Burrard St.
Vancouver, BC
V6Z 2J8

tel: (604) 666-3293

fax: (604) 666-9133

Walk-in services available
on the seventh floor

Nunavut**Port of Registry:**

Iqaluit

Registry office:

Registrar of Ships
Transport Canada
Marine Safety (AMSED)
Place de Ville, Tower C
9th Floor
330 Sparks Street
Ottawa, ON K1A 0N5

tel: (613) 991-3133

fax: (613) 998-0637

North West Territories**Ports of Registry:**

Hay River
Yellowknife

Registry office:

Registrar of Ships
Transport Canada
Marine Safety (AMSED)
Place de Ville, Tower C
9th Floor
330 Sparks Street
Ottawa, ON K1A 0N5

tel: (613) 991-3133

fax: (613) 998-0637

Yukon Territory**Port of Registry:**

Dawson

Registry office:

Registrar of Ships
Transport Canada
Marine Safety
620-800 Burrard St.
Vancouver, BC V6Z 2J8

tel: (604) 666-3293

fax: (604) 666-9133

Port of Registry:

Whitehorse

Registry office:

Registrar of Ships
Transport Canada
Marine Safety (AMSED)
Place de Ville, Tower C
9th Floor
330 Sparks Street
Ottawa, ON K1A 0N5

tel: (613) 991-3133

fax: (613) 998-0637

